for safe, reliable, affordable service

Fall 2001

New area code not needed yet

A slower economy and more efficient network practices have combined to give Western Washington a reprieve from mandatory 10-digit local dialing.

In August, the commission reviewed staff projections of number supplies and determined that the region could go a least another year without needing another area code. The next area code to be added (564) will be for all of Western Washington and will require 10-digit local dialing.

The commission acknowledged that postponement might be confusing to some customers and frustrating to those involved with preparing for the transition. But commissioners also were encouraged with how efforts to conserve numbers had paid off so far. They were hopeful that another year would allow time for a new network innovation to be installed that could allow existing prefixes to last even longer.

Telecommunications companies are preparing to adopt software changes in their networks that will allow numbers to be assigned to companies in increments smaller than a prefix. A prefix is the first three digits of the seven-digit phone number. Each prefix has 10,000 seven-digit numbers. Assigning numbers to phone companies by prefix is inefficient since most phone companies do not need 10,000 numbers at one time.

Number pooling, as it is called, will also allow companies to use prefixes in more than one community. Currently, prefixes are tied to a neighborhood or community served by a phone switch. Number pooling means that if a community only needs 500 numbers, it will not lock up a whole prefix containing 10,000 numbers.

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Power companies request increases with mixed results

Both Avista and Puget Sound Energy requested emergency rate increases during the late summer. Avista received part of its request on a temporary basis while Puget's request was dismissed.

Emergency rate increases are usually handled on an expedited basis and the standard for review is narrower than a formal rate request.

In late July, Avista requested a 36.9 percent surcharge on all electricity rates by mid-September. In Sept., PSE requested a 1.073 cent per kilowatt increase on all rates--a roughly 16 to 18 percent increase.

After expedited hearings, the commission granted Avista a 25 percent increase subject to refund based on the outcome of a more thorough investigation of the company's finances.

The commission agreed with Avista's claim that it needed financial relief from the extraordinary electricity costs that were incurred over the year.

With PSE's request, however, the commission said the company failed to demonstrate the emergency conditions necessary to justify fast-track treatment.

Both companies have indicated they will file requests for permanent rate increases by the end of November.

See Page 3 for a primer on rate cases.

Digging projects require caution to reduce risk

Your neighbor digging fence post holes might be putting your community at risk if he has not taken the proper precautions. Careless use of a shovel or backhoe could sever 911 phone line access or puncture a natural gas pipeline.

Washington State law (RCW 19.122) requires that anyone planning on digging more than a 12-inch deep hole must notify all underground utility owners two days before breaking ground. This allows the utility to mark where its wires and pipes are buried so that the person doing the digging can avoid them.

To make it simple for the digger, there is one number you can call to alert the utility companies in your area. This free service can be reached via this toll-free number: 1-800-424-5555.

Damage caused by contractors and homeowners who dig around pipes is the leading cause of pipeline damage. Even if not initially punctured during a dig, a pipeline that has been dinged up or scraped may be weakened enough to rupture later.

The Legislature expanded the UTC's pipeline safety program last year in an effort to focus more attention on interstate pipelines and on preventing life-threatening pipeline damage. Currently, UTC pipeline safety staff are working with utility companies, contractors, local governments and others on developing a method to enforce state law.

You can help by being vigilant about construction and digging projects in and around your neighborhood. You can tell if a project is prepared for digging if you see colored lines painted along the street and ground. These lines indicate what is buried and where it is.

From a homeowner's standpoint, it might seem unwieldly to have to call two days before a digging project. But the precaution not only keeps you in compliance with state law, but could avoid a potentially deadly mistake.

To learn more about the Washington law, on-going damage prevention efforts, or to receive free printed materials, call 1-800-424-5555. For copies of the law (RCW 19.122), you may go to the Washington Utilities and Transportations website at www.wutc.wa.gov or to the Washington Utilities Coordinating Council at www.wutc.org.

CONSUMER NEWS IN BRIEF

Qwest penalized for no quotes

The UTC fined Qwest \$30,000 in September for not offering rate quotes to customers making collect calls from pay phones in Washington. The commission also fined Intellical Operator Services \$14,000 for the same type of violation.

Phone companies must offer customers a rate quote on operator-assisted calls from pay phones in Washington. For collect calls, the operator has to offer the rate quote to both the caller and the person receiving the calls.

1-800-Reconex ordered to pay

The commission ordered 1-800-Reconex to pay \$166,000 for failing to make agreed-upon improvements to the company's telephone service. Reconex, according to the UTC, failed to comply with conditions that were imposed on the phone company as a result of a 1999 staff investigation into its operations. In that investigation, commission staff alleged that the reseller of local telephone service had violated state consumer rules 372 times.

Privacy for energy customers

Under new rules recently adopted by the UTC, electricity and natural gas utility companies cannot sell or disclose customer information for marketing purposes to other entities unless that customer has expressly granted permission to do so.

The rule allows an energy company to market its own products to its customers and to allow promotional materials from other companies in the billing envelope. But it prohibits the utility company from sharing customer lists with other companies, including any affiliates of the utility.

Rate Case Primer

A briefing on how rates are set

Both Avista Corp. and Puget Sound Energy will likely file a "rate case" later this fall--making this a good time to explain what a rate case is and what it means to you.

A regulated utility can change its rates with 30-days notice to the commission. During those 30 days, the commission can either allow the rate request to go into effect or suspend it for further investigation. If suspended, the commission has an additional 10 months to review the merits of the request.

State law requires that staff be a party to the case with the goal of promoting the "public interest." The Public Counsel of the Office of Attorney General also is a party to the case, serving as the state-appointed legal representative for the consumer. Other parties with an interest in the case might also be allowed to participate.

During the case, the company must prove that the proposed rate increase is needed by showing what its costs are during a given test year. Often the definition of the test year is a point of contention and adjustments to the test year areconsidered during the case. For example, if the test year included severe storm-related costs, one party might propose an adjustment that would bring the test year costs more in line with an average year's storm costs. The company's costs and expenditures are reviewed and possibly challenged during this process.

The case also will consider the company's rate-of-return on its investment--its profit. The various parties will comment on what would be fair return. Other financing costs, such as construction loans, are taken into account. All these numbers are used to derive the company's annual revenue requirement. The rates you ultimately pay are intended to give the company a reasonable chance of earning its revenue requirement.

During the rate case, the commission will hear conflicting views on several dozen issues. It's up to the commission through the hearing process and its review of the testimony to settle these disputes and come out with an order, defendable in court.

Any of the parties to the case may request clarification or reconsideration of the order. Parties can also appeal the commission's decision to Superior Court.

Rate case steps

- 1. Company files for a rate increase.
- **2.** The rate increase becomes effective unless the commission suspends the filing at the commission's regular open meeting.
- 3. An administrative law judge is assigned to the suspended case and a prehearing conference is held. The prehearing conference determines who will be allowed to participate as an active party in the case, and sets the schedule for discovery, testimony and hearings.
- **4.** The company's request is accompanied by supporting documents and written testimony. As part of the discovery process, the company must respond to questions and data requests posed by parties to the case.
- **5.** Parties submit written testimony responding to the company's request.
- **6.** The company files written testimony rebutting the testimony by parties.
- **7.** All witnesses are made available for cross-examination in a series of hearings that can take from one day to two weeks.
- **8.** One or more public hearings are held to hear directly from customers. This information, along with letters and emails from customers, are submitted as evidence.
- **9**. Final arguments or briefs are presented in writing to the commission.
- 10. Commission issues an order.

Directory Assistance

Getting the number you seek

The telephone is a wonderful convenience that allows you to talk to just about anyone in the world, provided you know the phone number. While the Internet is providing a new and convenient way to look up numbers, the old-fashioned way of calling directory assistance has gotten more expensive and is a bit more complicated than in the past. Here's some information that should help.

Get to know your local company's directory assistance policy

More local phone companies are charging for directory assistance. Yet, most companies provide their customers with at least one free request per month. Find out how many requests are allowed and how much it costs when you exceed that number.

Learn how to dial directly to directory assistance. Some phone companies will

charge you extra if you dial "0" and request the operator to connect you to directory assistance.

In fact, any time you ask for operator assistance, you run

the risk of paying a lot more than you need to pay.

Effective Directory Assistance Use

Now that you're paying more for this service, make sure you get your money's worth. When calling for information, know as much as possible about the listing you seek, such as the correct spelling of the name or names the listing might be

under and, if possible, the street address. When calling for long-distance information, you will need to know the city of the listing.

If you were given incorrect information by the operator, call back and let them know of the mistake. The company should either waive the charge or offer you a credit for a free directory assistance request in the future.

Local Phone Service Directory Assistance	Qwest	Verizon	Century Tel	Sprint Local
Free DA requests per month	1	2	2	1
Charge for additional DA's	\$1.25	.55	.35	.95

Also, some companies (such as Qwest, Verizon and Sprint) will allow you to request two listings on each directory assistance call for no additional charge.

When the directory assistance operator comes on the line, be sure to say that you would like the numbers for two listings before you get directed into the automated system.

without getting soaked

Your long-distance company also provides directory assistance

The phone company that carries your long-distance calls from your home also can provide you with directory assistance. These companies will charge you for each directory assistance request you make and the charges vary between company.

Check with your long-distance company on how much it costs to use their directory assistance and for best way to reach the service.

Use the free printed directory provided by your phone company

The printed directory may not have the latest listings but it is updated on a regular basis and has most of the numbers you will need. If you have difficulty reading the small print in the directory, ask your phone company for a large print version.

Also, some phone companies will extend free directory assistance to blind customers.

Maintain a personal phone list

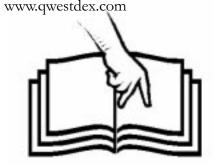
If you just spent good money to find out a phone number, write it down on a list you plan on keeping. Many households maintain a frequently-called list near their phone. You should maintain a list of difficult-to-find phone numbers as well.

Let your mouse do the walking through the web pages

Okay, so now that we've gone through the list of low-tech approaches, here are the sites we are aware that offer you free directory assistance.

Free, that is, assuming you have access to the Internet.

www.anywho.com
www.altavista.com
www.bigbook.com
www.people.yahoo.com
www.switchboard.com
www.whowhere.lycos.com
www.worldpages.com
www.411.locate.com
www.att.com/directory
www.verizon.com



FREQUENTLY ASKED QUESTIONS

What about these new PSE meters

Over 300,000 Puget Sound Energy (PSE) customers have a radio attached to their house and may not even know it. In recent years, PSE has been swapping out its old electric meters with meters that can transmit information back to the company about your electricity use. Here are often-asked questions about these meters.



What is an AMR?

AMR stands for the Automated Meter Reading Network that sends information to PSE on a continuous basis about electricity consumption. If your meter has been converted to an AMR, the company can tell you how much electricity you are using and what time of day you used it..

The meter doesn't look much different from the one you used to have and replaces the need for a meter reader to visit your home or business every month.

How Does AMR Work?

The AMR system works by sending a digital signal to a radio receiver attached to a nearby electric pole. The signal is then relayed to a mainframe computer every few minutes. The computer tracks how much electricity the customer has used since the last reading.

How do I verify its accuracy?

You can continue to read the dials on your meter and compare them with your bill. You can also access your bill information via the Internet (www.pse.com). AMR allows you to monitor your energy usage round the clock. If you suspect your meter may not be reading accurately, you may request a meter check at no expense, once in a 12-month period.

My bill seems higher with the new meter?

Older style meters can slow down as they become older. When you get a new one, the reading will be more accurate. Unfortunately, in this case, better accuracy can mean a higher bill. Perhaps a good time to consider an upgrade to more efficient appliances.

What's the advantage of the AMR?

The most obvious benefit is the company no longer needs to send a person down your driveway to look at your meter. Also, by providing you with 24-hour energy usage readings, you can identify patterns or problems that, if corrected, might help you reduce electricity consumption overall.

The company claims that mechanical problems with the meter will be easier to detect and that when your power goes out, the company will be able to act more promptly in restoring service.

Finally, the AMR has allowed the company to try its concept of time-of-use rates. This is where customers pay a variable rate based on when the electricity is used. The test period for this program has extended through May.

Article by Consumer Affairs Specialist Gail Griffin-Wallace

Number pooling may spell area code relief

Continued from Page 1

Chairwoman Marilyn Showalter said that the relatively minor confusion caused by the delay might be worth it if 10-digit dialing can be postponed indefinitely.

There's even a chance that if number pooling is successful and followed up by other number conservation efforts that the new area code will not be needed, Showalter suggested.

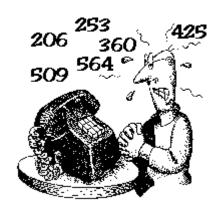
Still, some people were not pleased about the delay. Companies that have spent time and money converting their phone equipment to handle 10-digit dialing wondered if the expense was worth it. Others have raised a concern that customers will grow jaded by the repeated delays (this is the third delay of 10-digit dialing for the 360 area).

The commission has not set another date for the new area code. Instead, the commission will wait to see if number pooling will be able to extend the life of the existing area codes. Telephone companies need about six months warning before making the transition.

The consolation for those who have already prepared for 10-digit dialing is that the network currently handles 10-digit local

calls. Also, if the new area code is eventually needed, and there's still a good chance it will be, those systems that have been converted will be ready.

The new 564 area code will be assigned to all of Western Washington, overlapping the region's four existing area codes. When put into use, the



new area code would require all customers to dial 10 digits to complete every local. Currently, Western Washington customers may either dial 7 or 10 digits when making a local call.

Customer credits considered for phones

The UTC is considering requiring that telecommunications companies apply uniform service quality credits to its customers. Currently, Qwest offers a package of customer credits, under order of the commission. Most of the other companies do not.

The proposal would require companies to pay a credit to any customer who does not receive local phone service on the date promised by the company or by the date requested by customer, as long as that date is at least seven calendar days after the service was ordered.

The credits being considered range from waiving the installation charge to a flat \$50 credit. More credit would apply if the delay goes beyond the first month. The UTC is proposing the credit apply only to the first residential line and first two business lines.

Another proposed credit would apply if a company fails to keep an appointment and does not notify the customer at least 24 hours in advance. The proposed \$50 credit would apply to any missed appointment involving a regulated phone service.

Additional credits would apply if a telecommunications service is out of service for more than 24 hours. The credit would be equivalent to the pro-rated monthly charge for the time the service was out.

The UTC proposal would continue existing performance standards on a statewide basis but require reporting on an exchange basis. Public comment is welcome on the service quality credit proposal by email or letter. Please reference Docket No. UT-990146.



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Toll Free: 1-800-562-6150 Phone: (360)664-1160 Fax: (360)586-1150

TTY: 1-877-210-5963 (toll free) Web site: www.wutc.wa.gov Email: info@wutc.wa.gov

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RETURN SERVICE REQUESTED

In This Issue

Puget and Avista rate increase requests trigger a primer on rate cases, new protections for energy customer privacy, review proposed rules on telephone service quality credits and get tips on how to use directory assistance more effectively--all inside this edition of UTC News & Views.

Here are ways to prepare yourself. . .

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